

limits in this bill could reduce property taxes by an estimated 290.8 million dollars, which is an 18.4 percent reduction statewide. We lost a little in this time between January and March in debating and amending this bill. And this could be offset by 50.8 million dollars of tax revenues which could be generated under the levy allowance for the Interlocal Cooperation Act agreements, remember, that would add to the property tax, yielding a net reduction of 240.1 million dollars, or 15.1 percent, the 15.1 percent being actually the net reduction for property taxes and, again, it would depend. Now, it goes on to say, on this new fiscal note, "It has been the Legislature's intent that all revenue associated the enactment of LB 1059," in 1990, and you all can remember that act that was supposed to reduce property taxes. And at that time we raised sales taxes 25 percent, another whole penny, income tax 17 percent, significant amount, and all of this to go back to the subdivision of education and to relieve the property tax burden of education on our property. Because less property taxes can be deducted, and I think that's important to remember, it says that you can deduct property taxes currently on your income tax, but if you reduce the property tax because less property taxes can be deducted from...

SPEAKER WITHEM: One minute.

SENATOR PIRSCH: ...state income taxes under the provisions of LB 1114, it's estimated that the state General Fund income tax revenues could increase by an estimated \$12.94 million, of which approximately by \$1.9 million could be used for school aid, consistent with legislative intent. LB 1114 has more ramifications than I think we even think about when we consider it on this floor, much less the general public. But I definitely know the general public knows the instant impact and ramifications of another half cent of sales tax. And, believe me, they want through that in 1990, and they don't want to go through it again.

SPEAKER WITHEM: Time. Senator Witek. The question has been called. Do I see five hands? I do. Question before the body is, shall debate now cease? All of those in favor vote aye, opposed vote nay. Record.

CLERK: 25 ayes, 0 nays to cease debate, Mr. President.